



DEPARTMENT OF LABOR

Employee Benefits Security Administration

[Prohibited Transaction Exemption 2022-03;Exemption

Application No. L-12021]

Exemption from Certain Prohibited Transaction Restrictions

Involving Comcast Corporation (Comcast or the Applicant)

Located in Philadelphia, PA

AGENCY: Employee Benefits Security Administration, Labor.

ACTION: Notice of exemption.

SUMMARY: This document contains a notice of exemption issued by the Department of Labor (the Department) from certain of the prohibited transaction restrictions of the Employee Retirement Income Security Act of 1974 (ERISA or the Act) and/or the Internal Revenue Code of 1986 (the Code). Under the exemption, the Comcast Corporation Comprehensive Health and Welfare Benefit Plan (the Plan) will enter into an insurance contract with an unrelated A-rated insurance company (the Fronting Insurer) that will, in turn, enter into a reinsurance contract with One Belmont Insurance Company (One Belmont), an affiliate of Comcast (the Reinsurance Arrangement). Under the Reinsurance Arrangement, One Belmont will reinsure the Plan's risks.

FOR FURTHER INFORMATION CONTACT: Mrs. Blessed Chuksorji-Keefe of the Department at (202) 693-8567. (This is not a toll-free number.)

SUPPLEMENTARY INFORMATION: On September 20, 2021, the Department published a notice of proposed exemption in the Federal Register at 86 FR 52217, permitting: (1) the reinsurance of risks; and (2) the receipt of premiums by One Belmont in connection with insurance contracts sold by Prudential Insurance Company (Prudential), or any successor Fronting Insurer, to provide group term life insurance benefits to participants in the life insurance component (the Life Insurance Component) of the Plan.

This exemption provides only the relief specified in the text of the exemption. It provides no relief from violations of any law other than the prohibited transaction provisions of ERISA expressly stated herein.

The Department makes the requisite findings under ERISA Section 408(a) based on adherence to all of the conditions of the exemption. Accordingly, affected parties should be aware that the conditions incorporated in this exemption are, taken as a whole, necessary for the Department to grant the relief requested by the Applicant. Absent these or similar conditions, the Department would not have granted this exemption.

The Applicant requested an individual exemption pursuant to ERISA section 408(a) in accordance with the procedures set forth in 29 CFR part 2570, subpart B (76 FR 66637, 66644, October 27, 2011).

WRITTEN COMMENTS

In the proposed exemption, the Department invited all interested persons to submit written comments and/or requests for a public hearing with respect to the notice of proposed exemption. All comments and requests for a hearing were due to the Department by November 4, 2021. The Department received one written comment from the Applicant,¹ discussed below, and three written comments from members of the public. Two of the public commenters were against the proposed exemption and shared the same general concern that the exemption would allow Comcast to own or control the entities that provide healthcare services to its employees.² The other public commenter expressed a view that was unrelated to the substance of the proposed exemption. The Department did not receive any requests for a public hearing from any of the commenters.

Comments from the Applicant

I. Reinsurance Benefit

The Applicant notes that footnote 16 of the Summary of Facts and Representations states: "According to the Applicants, Prudential has agreed to reduce the Plan's

¹ At the Department's request, the Applicant submitted an additional written submission clarifying its comment letter.

² The Department notes that Prudential, the "fronting" insurer, is unrelated to Comcast and its affiliates. The Department has clarified section III(1) of this exemption to expressly provide that, consistent with the Department's intent, each "fronting" insurer may not be owned or controlled, in whole or in part, by Comcast.

basic life insurance premiums by \$375,000 in return for transferring the Plan's basic life insurance risks to One Belmont. The result is a cost savings to Comcast since Comcast pays 100% of these premiums."

The Applicant now represents, however, that, upon further review, the Reinsurance Arrangement will not result in Prudential reducing the premium amounts charged to Comcast for the Life Insurance Component. Those premium amounts are expected to remain the same. The current rates are guaranteed through December 31, 2023, as part of a three-year guarantee period. The Plan has negotiated three-year guarantee periods for several years.

Department's Note: Although Comcast will not save \$375,000 per year in Plan premium payments, as originally expected, Comcast now expects One Belmont will instead receive approximately \$375,000 in additional earned income per year from the captive arrangement. Under the terms of the exemption, the net result is the same: Plan participants must receive all the financial benefits that Comcast derives from the arrangement. This includes, as described in Section III(a) of the exemption, any premium savings to Comcast from the captive reinsurance arrangement, as well as any additional earned income to One Belmont from the arrangement.

Comcast requests that the references throughout the exemption be modified to reflect "expected earned income"

or "earned income" rather than "premium reduction" or "savings."

Department's Response:

The Department declines to revise the operative language of the exemption as requested. The terms "earned income" or "expected earned income" do not accurately describe the exemption's expressed intent to ensure that all benefits generated from the captive arrangement, not just additional earned income, inure to the benefit of Plan participants. Consistent with this intent, the Department has changed the term "savings" to "benefits" in Section III(a) and deleted the reference to "savings" in Section III(g)(9) (for consistency).

Further, the Department has not changed the term "premium reduction" to "earned income" "or expected earned income." The term "premium reduction," as used in the exemption, describes the requirement that Comcast must reduce the participants' portion of the premium for the dental component of the Plan by at least \$375,000 each year the reinsurance arrangement is in effect. In this context, the term "premium reduction" more accurately describes the Department's intent than "earned income" or "expected earned income."

II. Five-Year or Three-Year Look Back Proposal

Section III(a) of the proposal states that: "In the initial year and each subsequent year of the captive

reinsurance arrangement, the participants' portion of the premium for the dental component of the Plan (the Dental Component) must be reduced by at least \$375,000. If Comcast's savings from the captive reinsurance arrangement are greater than \$375,000 in any year, Comcast must reduce the participants' portion of the Dental Component's premium by that greater amount in the next subsequent year. If Comcast or any of its affiliates ultimately receive some other benefit in connection with the captive insurance arrangement, such as a tax reduction or a profit or any benefit arising from a further diversification of One Belmont's risks in connection with adding the Plan-related insurance risks to One Belmont's other risks, participants in the Dental Component must receive an additional corresponding dollar-for-dollar reduction to their portion of the Dental Component's premiums in the subsequent year."

Comcast requests that this section be modified to allow for a five-year look-back in which to calculate and apply any additional earned income over \$1,875,000 to reduce the dental premiums (i.e., any amount above the \$375,000 per year over a five-year period that Comcast is already expected to receive from the arrangement and required to pass on to participants in the form of reduced premiums). Comcast states that it is "concerned that the current structure of the proposed exemption, which could involve adjustments to participant contribution amounts

each year, introduces the potential for significant fluctuations in participant dental premium amounts over time." Comcast states that such a period will help it "smooth fluctuations in participant contribution amounts over time."

Comcast requests that if the Department is not agreeable to a five-year lookback period, the exemption be modified to allow for a three-year rolling lookback period. Comcast states that a three-year rolling lookback would allow Comcast to assess over a three-year period whether any additional earnings above \$125,000 (the \$375,000 guaranteed minimum amount over a three-year period) must be credited against participant contributions on an annual basis (subject to the timing request discussed below). Comcast argues that this three-year rolling lookback would mitigate any significant lag between the calculation of the extra earning income and crediting the earnings against participant contributions to the Dental Component and this methodology will allow Comcast to achieve more consistent pricing to soften the impact of fluctuations on participant contributions.

Department's Response:

The Department declines to make either of the Applicant's requested revisions. The Department developed the conditions of the exemption to ensure that participants will benefit from all earned income and other benefits that

are generated by the reinsurance arrangement. A five or three-year period is excessive for participants to receive additional premium reductions. Among other things, a multi-year period would deprive Plan participants who leave Comcast's employment before the end of the period of the benefits of further premium reduction. Consistent with this view, the exemption requires Comcast to calculate One Belmont's earned income from the reinsurance arrangement on an annual basis. However, the Department acknowledges that Comcast may have legitimate concerns regarding the amount of time it needs to properly reduce participants' premium payments by such amount and has agreed to additional timing considerations, as discussed immediately below.

III. Timing of Use of Benefits and Independent Fiduciary Report

Comcast represents that it is not feasible for the Independent Fiduciary to provide their review of the documents within six months after the end of the prior year. The Applicant also claims that applying the extra earned income (amounts above the guaranteed \$375,000) to offset the Dental premiums for the immediately subsequent plan year (which is a calendar year) may be very difficult because of the time it takes for the insurance carrier to report year-end information and for the Independent Fiduciary to calculate the earned income to be applied to

the Dental premium. The Applicant points to timing constraints that may make it difficult to share the extra earned income in the next year as required by the proposed exemption. In particular, the Applicant states that the experience results for the life insurance for the prior year are provided in May/June of the subsequent year; final premium and employee contribution rates are set no later than the end of July; One Belmont receives its audited financial statement in mid-July, at the earliest, and therefore the Independent Fiduciary cannot begin review until mid-July or later. The Applicant claims these timing constraints will make it impossible to apply any additional earnings above \$375,000 against participant contributions for the following Plan year in a process overseen by the Independent Fiduciary.

The Applicant therefore requests that the Independent Fiduciary be required to complete its report within one year after the 12-month period to which it relates and submit the report to the Department within four months thereafter.

Department's Response:

Section III(a) of the exemption has been revised to:

(a) reflect a two-year "make whole" period; (b) require the Plan to receive interest on amounts Comcast owes the Plan at a rate equal to underpayments established in Internal Revenue Code section 6621(b); and (c) more clearly

describes the term "benefits."

Section III(a) now reads, "In the initial year and each subsequent year of the captive reinsurance arrangement, the participant's portion of the premium for the dental component of the Plan (the Dental Component) must be reduced by at least \$375,000. The Independent Fiduciary must determine whether Comcast earned a financial benefit in excess of \$375,000 per year and must report its determination as part of the Independent Fiduciary's annual report. Benefits include, but are not limited to, increased earned income, increased savings, a tax reduction or a profit or any benefit arising from a further diversification of One Belmont's risks in connection with adding Plan-related insurance risks to One Belmont's other risks. If Comcast's benefit from the arrangement exceeds \$375,000 per year in any year (the Excess Benefit), Comcast must further reduce the participants' portion of the dental component of the Plan's (the Dental Plan's) premium no later than two years after the end of the year in which the Excess Benefit was earned by an amount that is at least equal to the Excess Benefit plus an additional payment of interest on the Excess Benefit at the Code's federal underpayment rate established in Internal Revenue Code section 6621(b). The interest on the Excess Benefit must be calculated for the period from the end of the plan year the Excess Benefit was earned through the start of the Plan

year in which the Excess Benefit is applied to reduce the participants' portion of the Dental Plan's premiums. The premium reduction must benefit all Dental Plan participants equally and must be verified by the Independent Fiduciary."

The Department is not persuaded that the Independent Fiduciary needs four additional months to submit its completed report to the Department, and so has not made the requested revision.

IV. Dental Premium Split

In paragraph 7 of the Summary of Facts and Representations, the Department stated: "In no event may the reduction in the participants' portion of the Dental Component's premium be less than the amount Comcast or any of its affiliates ultimately benefits from the captive reinsurance arrangement. Further, Comcast must continue to contribute no less than 60% of the Dental Component's premiums after the captive reinsurance arrangement takes effect."

In its comment letter, Comcast requests that the Department not require a specific level of premium split for the Dental Component. Comcast argues that locking-in the split between employer and employee premium contribution amounts is unnecessary to make the captive reinsurance arrangement protective of the participants and in their best interest. Comcast claims that such a

requirement would severely constrain future offerings under the Dental Component and deter Comcast, as settlor, from offering options that otherwise provide greater benefits even though employees would be willing to pay more for those benefits.

Comcast notes that its application stated that the dental payment percentage split between Comcast and its employees was "approximately" 60/40. Comcast explains that the Plan offers three different dental benefit options with three different premium splits. Comcast employees are offered a Dental Maintenance Organization (DMO) option and a Preferred Provider Organization (PPO) option while NBCU (Comcast's affiliate) employees are offered only a PPO dental option. Comcast states that because its primary goal is keeping the dollar amount of employee contributions consistent across the two companies, the Company contribution varies between 55% and 62%.

Comcast urged the Department to rely on the Independent Fiduciary's annual review to evaluate compliance with the exemption.

Department's Response:

The Department is revising the exemption by removing the requirement that Comcast maintain a specific level of premium contribution to the dental component. However, the Department remains concerned that the value of the benefits provided to the Dental Component through the captive

reinsurance arrangement could be lessened through offsetting reductions to other benefits provided to Comcast's employees.

The Department notes that it is the responsibility of the Independent Fiduciary to monitor, enforce, and ensure compliance with all the conditions of the exemption. This includes Section III(k) of the exemption, which provides that, "Comcast will not evade the condition in Section III(a) by offsetting or reducing any benefits provided to Comcast employees to defray the costs, expenses, or obligations of complying with this exemption."

To that end, Section III(g)(8) of the exemption has been revised to require the Independent Fiduciary to specifically confirm in its annual report whether Section III(k) has been met and to describe the steps it took in reaching this confirmation.

V. Commission

Section III(b) of the proposed exemption states that: "No commissions are paid by the Plan with respect to the direct sale of such contracts or the reinsurance thereof..."

Comcast clarified in its comment letter "that Prudential does pay a supplemental commission in connection with the sale of the direct life insurance coverage and will continue to pay this supplemental commission as reflected on the Plan's Form 5500. The cost of this

supplemental commission is wholly borne by Prudential and the Plan itself does not pay any separate commission in connection with the purchase of the direct insurance and does not pay a commission in connection with the reinsurance coverage either."

Department's Response:

The Department notes Comcast's clarification. Comcast's Form 5500 lists the commission recipient as "American Benefits & Compensation Systems, Inc." located in New York, NY. Prudential confirmed that "this continues to be the entity to whom the commission is payable and that it believes Alliant owns the entity."

VI. Status of One Belmont as a Comcast Affiliate

The Department noted in paragraph 1 of the Summary of Facts and Representations of the proposed exemption that "Comcast wholly owns One Belmont Insurance Company... ." In its comment letter, Comcast stated that it "is more accurate to state that One Belmont is a wholly owned subsidiary of Comcast Corporation."

The Department has made certain other minor changes to the wording of the exemption, including renumbering some of the exemption's sections, for clarity and consistency.

The complete application file (L-12021) is available for public inspection in the Public Disclosure Room of the Employee Benefits Security Administration, Room N-1515,

U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. For a more complete statement of the facts and representations supporting the Department's decision to grant this exemption, refer to the notice of proposed exemption published on September 20, 2021, at 86 FR 52217.

Accordingly, after considering the entire record developed in connection with the Applicant's exemption application and comment letter, the Department has determined to grant the exemption described below.

GENERAL INFORMATION

The attention of interested persons is directed to the following:

(1) The fact that a transaction is the subject of an exemption under ERISA Section 408(a) does not relieve a fiduciary or other party in interest from certain requirements of other ERISA provisions, including any prohibited transaction provisions to which the exemption does not apply and the general fiduciary responsibility provisions of ERISA Section 404, which, among other things, require a fiduciary to discharge his or her duties respecting the plan solely in the interest of the plan's participants and beneficiaries and in a prudent fashion in accordance with ERISA Section 404(a)(1)(B).

(2) As required by ERISA Section 408(a), the

Department hereby finds that the exemption is: (a) administratively feasible; (b) in the interests of affected plans and of their participants and beneficiaries; and (c) protective of the rights of participants and beneficiaries of such plans.

(3) This exemption is supplemental to, and not in derogation of, any other ERISA provisions, including statutory or administrative exemptions and transitional rules. Furthermore, the fact that a transaction is subject to an administrative or statutory exemption is not dispositive of determining whether the transaction is in fact a prohibited transaction.

(4) The availability of this exemption is subject to the express condition that the material facts and representations contained in the application accurately describe all material terms of the transactions that are the subject of the exemption.

Accordingly, the following exemption is granted under the authority of ERISA Section 408(a), and in accordance with the procedures set forth in 29 CFR Part 2570, Subpart B (76 FR 66637, 66644, October 27, 2011):

EXEMPTION

SECTION I. DEFINITIONS

(a) An "affiliate" of Comcast Corporation or One Belmont includes: (1) Any person or entity who controls Comcast or One Belmont or is controlled by or under common

control with Comcast or One Belmont; (2) Any officer, director, employee, relative, or partner with respect to Comcast or One Belmont; and (3) Any corporation or partnership of which the person in (2) of this paragraph is an officer, director, partner, or employee;

(b) The term "control" means the power to exercise a controlling influence over the management or policies of a person other than an individual;

(c) The term "Independent Fiduciary" means a person who:

(1) Is not an affiliate of Comcast or One Belmont and does not hold an ownership interest in Comcast or One Belmont or their affiliates;

(2) Is not a fiduciary with respect to the Plan before its appointment to serve as the Independent Fiduciary;

(3) Has acknowledged in writing that it:

(i) is a fiduciary with respect to the Plan and has agreed not to participate in any decision regarding any transaction in which it has an interest that might affect its best judgment as a fiduciary; and

(ii) has appropriate technical training or experience to perform the services contemplated by the exemption;

(4) has not entered into any agreement or instrument that violates the prohibitions on exculpatory

provisions in ERISA section 410 or the Department's regulations relating to indemnification of fiduciaries at 29 CFR 2509.75-4.

(5) For purposes of this definition, no organization or individual may serve as Independent Fiduciary for any fiscal year if the gross income received by such organization or individual from Comcast, One Belmont, or their affiliates for that fiscal year exceeds two percent (2%) of such organization's or individual's gross income from all sources for the prior fiscal year. This provision also applies to a partnership or corporation of which such organization or individual is an officer, director, or 10 percent (10%) or more partner or shareholder, and includes as gross income amounts received as compensation for services provided as an independent fiduciary under any prohibited transaction exemption granted by the Department; and

(6) No organization or individual that is an Independent Fiduciary and no partnership or corporation of which such organization or individual is an officer, director, or ten percent (10%) or more partner or shareholder may acquire any property from, sell any property to, or borrow any funds from Comcast, One Belmont, or their affiliates while serving as an Independent Fiduciary. This prohibition will continue for a period of six months after: (i) the party ceases to be an Independent

Fiduciary; and/or (ii) the Independent Fiduciary negotiates any transaction on behalf of the Plan during the period that the organization or individual serves as an Independent Fiduciary.

SECTION II. COVERED TRANSACTIONS

The restrictions of ERISA Sections 406(a)(1)(D) and 406(b)(1) will not apply to: (1) the reinsurance of risks; and (2) the receipt of premiums therefrom by One Belmont in connection with insurance contracts sold by Prudential (or any successor Fronting Insurer meeting the requirements of this exemption) to provide group term life insurance benefits to Plan participants in the Life Insurance Component of the Plan. In order to receive such relief, the conditions in Section II must be met in conformance with the definitions set forth in Section I.

SECTION III. CONDITIONS

(a) In the initial year and each subsequent year of the captive reinsurance arrangement, the participant's portion of the premium for the dental component of the Plan (the Dental Component) must be reduced by at least \$375,000, with no offset or reduction to other benefits Comcast provides to its employees. The Independent Fiduciary must determine whether Comcast Corporation (including One Belmont and any affiliate or any person or

entity related to Comcast Corporation (hereinafter, collectively, Comcast) earned a financial benefit in excess of \$375,000 per year and must report its determination as part of the Independent Fiduciary's annual report. Financial benefits include, but are not limited to, increased earned income, increased savings, a tax reduction or a profit or any benefit arising from a further diversification of One Belmont's risks in connection with adding Plan-related insurance risks to One Belmont's other risks. If Comcast's benefit from the arrangement exceeds \$375,000 per year in any year (the Excess Benefit), Comcast must further reduce the participants' portion of the dental component of the Plan's (the Dental Plan's) premium no later than two years after end of the year in which the Excess Benefit was earned, by an amount that is at least equal to the Excess Benefit, plus an additional interest payment on the Excess Benefit at the Internal Revenue Code's federal underpayment rate established in Code section 6621(b). The interest on the Excess Benefit must be calculated for the period from the end of the Plan year the Excess Benefit was earned through the start of the plan year in which the Excess Benefit is applied to participant dental premiums. The premium reduction must benefit all Dental Plan participants equally and must be verified by the Independent Fiduciary.

(b) No commissions are paid by the Plan with respect

to the direct sale of such contracts or the reinsurance thereof;

(c) In the initial year and in subsequent years of coverage provided by a Fronting Insurer, the formulae used by the Fronting Insurer to calculate premiums must be similar to formulae used by other insurers providing comparable life insurance coverage under similar programs that are not captive reinsured. Furthermore, the premium charges calculated in accordance with the formulae must be reasonable and must be comparable to the premiums charged by the Fronting Insurer and its competitors with the same or a better financial strength rating providing the same coverage under comparable programs that are not captive reinsured;

(d) Comcast is solely and fully responsible for funding One Belmont's reserves with respect to the reinsurance arrangement covered by this exemption;

(e) One Belmont:

(1) Is a party in interest with respect to the Plan by reason of a stock or partnership affiliation with Comcast that is described in ERISA section 3(14)(E) or (G);³

(2) Is licensed to sell insurance or conduct

³ Under ERISA section 3(14)(G), a corporation is a "party in interest" with respect to an employee benefit plan if 50 percent or more of the combined voting power of all classes of the corporation's stock entitled to vote, or the total value of shares of all classes of stock of the corporation, is owned by an employer any of whose employees are covered by the employee benefit plan.

reinsurance operations in at least one State as such term is defined in ERISA section 3(10);

(3) Has obtained a Certificate of Authority from the state of Vermont, its domiciliary state, that has neither been revoked nor suspended;

(4) (A) Has undergone and shall continue to undergo an examination by an independent certified public accountant for its last completed taxable year immediately before the taxable year of the reinsurance transaction covered by this exemption; or

(B) Has undergone a financial examination (within the meaning of the law of Vermont) by the Commissioner of Banking, Insurance, Securities and Health Care Administration of the State of Vermont within five (5) years before the end of the year preceding the year in which the reinsurance transaction occurred; and

(5) Is licensed to conduct reinsurance transactions under Vermont law, which requires an actuarial review of reserves to be conducted annually by an independent firm of actuaries and reported to the appropriate regulatory authority;

(f) The Plan retained and will continue to retain an independent, qualified fiduciary or successor to such fiduciary, as defined in Section I(c), (the Independent Fiduciary) to analyze the transactions covered by this exemption, and render an opinion that all of the

requirements of this exemption have been satisfied;

(g) The Independent Fiduciary must:

(1) In full accordance with its obligations of prudence and loyalty under ERISA sections 404(a)(1)(A) and (B), (i) review the terms of the exemption, (ii) engage in a prudent and loyal analysis of the covered transactions, and (iii) verify that based on its review of all relevant documents and evidence, it has concluded that all of the exemption's terms and conditions have been met (or can be reasonably be expected to be met consistent with the time requirements set forth in this exemption). This conclusion must be documented in a written report submitted to the Department's Office of Exemption Determinations at least 30 days before the Plan engages in a transaction covered by the exemption. The report must include copies of each document relied on by the Independent Fiduciary and discuss the basis for its conclusion;

(2) Monitor, enforce and ensure compliance with all conditions of this exemption, including all conditions and obligations imposed on any party dealing with the Plan, throughout the period during which One Belmont's assets are directly or indirectly used in connection with a transaction covered by this exemption;

(3) Report any instance of non-compliance immediately to the Department's Office of Exemption Determinations;

(4) Monitor the transactions described in the exemption on a continuing basis to ensure the transactions remain in the interest of the Plan;

(5) Take all appropriate actions to safeguard the interests of the Plan;

(6) Review all contracts pertaining to the Reinsurance Arrangement, and any renewals of such contracts, to determine whether the requirements of this exemption continue to be satisfied;

(7) Determine that the Reinsurance Arrangement is in no way detrimental to the Plan and its participants and beneficiaries;

(8) Confirm in its annual report (and describe the steps taken to confirm) that (i) the Plan's Dental Component has received all the financial benefits associated with the captive reinsurance arrangement that otherwise would have been retained by Comcast or a party related to Comcast, and (ii) Comcast has not reduced or offset any participant benefits in relation to its implementation and maintenance of the reinsurance arrangement as required by section III(k), including a reduction in premium contributions to the dental component or other benefits Comcast provides to its employees;

(9) Provide an annual report to the Department, certifying Under penalty of perjury that each term and condition of this exemption is satisfied and setting forth

the bases for the certification. Each report must be completed and submitted to the Department within twelve months after the end of the twelve-month period to which it relates (the first twelve-month period begins on the first day of the implementation of the captive reinsurance arrangement covered by this exemption);

(h) Comcast and its related parties have not, and will not, indemnify the Independent Fiduciary, in whole or in part, for negligence and/or for any violations of state or federal law that may be attributable to the Independent Fiduciary in performing its duties under the captive reinsurance arrangement. In addition, no contract or instrument will purport to waive any liability under state or federal law for any such violations.

(i) Neither Comcast nor a related entity may use participant-related data or information generated by, or derived from, the Reinsurance Arrangement in a manner that benefits Comcast or a related entity;

(j) All the facts and representations set forth in the Summary of Facts and Representations are true and accurate;

(k) Comcast will not evade the condition in Section III(a) by offsetting or reducing any benefits provided to Comcast employees to defray the costs, expenses, or obligations of complying with this exemption;

(l) The Plan will only contract with a Fronting Insurer that is unrelated to Comcast, and that has a

financial strength rating of "A" or better from A.M. Best. For purposes of this provision, the term "unrelated" means that the Fronting Insurer is not owned or controlled by Comcast in whole or in part;

(m) The Plan must pay no more than adequate consideration with respect to insurance that is part of the captive reinsurance arrangement covered by the exemption;

(n) In the event a successor Independent Fiduciary is appointed to represent the interests of the Plan with respect to the subject transaction, no time shall elapse between the resignation or termination of the former Independent Fiduciary and the appointment of the successor Independent Fiduciary; and

(o) All expenses associated with the exemption and the exemption application, including any payment to the Independent Fiduciary, must be paid by Comcast and not the Plan.

EFFECTIVE DATE: This exemption will be in effect on the date that this grant notice is published in the Federal Register.

Signed at Washington, DC.

George C. Cosby,
*Director, Office of Exemption Determinations,
Employee Benefits Security Administration,
U.S. Department of Labor.*

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